

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW MEXICO

UNITED STATES OF AMERICA,

Plaintiff,

Case No.: 1:19-cr-01631-DHU

v.

PRAGNESHKUMAR PATEL, a.k.a. "Pete Patel,"

Defendant.

RIVERSTONE BANK, SUCCESSOR BY MERGER TO
FIRST STATE BANK, AND RAKSHABEN PATEL

Third Party Petitioners.

**SETTLEMENT AGREEMENT AMONG THE UNITED STATES AND
THIRD PARTY PETITIONERS RIVERSTONE BANK SUCCESSOR BY MERGER TO
FIRST STATE BANK AND RAKSHABEN PATEL**

Plaintiff United States and Third-Party Petitioners Third Party Petitioners Riverstone Bank, Successor By Merger to First State Bank (Hereafter Riverstone Bank), Saishivam Lodging, LLC, a New Mexico limited liability company, and Rakshaben R. Patel, individually, **HEREBY ENTER INTO THIS SETTLEMENT AGREEMENT** to settle their respective interests in the real property located at 7640 Central Avenue Southeast, Albuquerque, New Mexico, 87108.

The parties stipulate and agree as follows:

1. The Second Superseding Indictment (Doc. 530) alleges, *inter alia*, that certain property is subject to forfeiture to the United States pursuant to 18 U.S.C. §§ 1594(d) and (e), 18 U.S.C. § 981(a)(1)(C), 21 U.S.C. § 853 and 18 U.S.C. § 982(a)(1). (Doc. 68). The property subject to forfeiture includes the following real property:

Real Property located at 7640 Central Avenue Southeast, Albuquerque, New Mexico, 87108, more particularly described as Lot numbered One-A (1-A) in Block numbered One (1) of

B.M. Moore Addition, an Addition to the City of Albuquerque, New Mexico, as the same is shown and designated on the Plat thereof, filed in the Office of the County Clerk of Bernalillo County, New Mexico, on July 1, 1993, in Plat Book 93C, Page 186.

(Hereafter referred to as "Real Property").

2. Defendant Pragneshkumar Patel pleaded guilty to Count 8 of the second superseding indictment. Count 8 charged Maintaining a Drug-Involved Premises and Aiding and Abetting in violation of 21 U.S.C. § 856(a) and 18 U.S.C. § 2. In his plea agreement, Defendant agreed to forfeit to the United States all of his right, title, and interest in the Real Property. Accordingly, on September 15, 2023, this Court entered a Preliminary Order forfeiting the Real Property to the United States. (Doc. 592). On February 8, 2024, the Court sentenced Defendant. (Doc. 657). As part of the sentence, the Court ordered the forfeiture of Defendant's right, title, and interest in the Real Property. Pursuant to Fed.R.Crim.P. 32.2(b)(4)(A), the Preliminary Order became final as to the Defendant at sentencing.
3. On January 18, 2024, Riverstone Bank filed a Third Party-Petition asserting a lien interest in the Real Property. (Doc. 631).
4. On January 22, 2024, Rakshaben R. Patel filed a Third-Party Petition asserting an ownership interest in the Real Property. (Doc. 635).
5. Title to the Real Property is held by Saishivam Lodging, LLC, a New Mexico limited liability company. Defendant Pragneshkumar R. Patel and Third-Party Petitioner Rakshaben R. Patel are the only members of Saishivam Lodging, LLC.
6. Riverstone Bank holds a valid first priority lien against the Real Property by virtue of a Deed of Trust and Promissory Note executed by Saishivam Lodging, LLC, Pragneshkumar R. Patel, and Rakshaben R. Patel on September 29, 2017. The Promissory Note is secured

by a Deed of Trust recorded on September 29, 2017, as Document No. 2017094179, in the real property records of Bernalillo County, New Mexico. The Note and the Deed of Trust are attached as exhibits 1 and 2 to this agreement.

7. On February 1, 2020, Saishivam Lodging LLC, Lessor, and Riana Hospitality, LLC, a New Mexico limited liability company, Lessee, entered into a Lease/Purchase Agreement. The Agreement provides that the Lessee Riana Hospitality, LLC shall have the right to purchase the Real Property for a specified purchase price provided that the Lessee is credited with an amount equal to the reduction of the principal balance on the Lessor's Loan made during the lease term and any extensions of the term. The Lease/Purchase Agreement is attached as exhibit 3 to this agreement.
8. The Real Property will be sold to Lessee Riana Hospitality, LLC pursuant to the terms of the Lease/Purchase Agreement between Saishivam Lodging LLC and Riana Hospitality, LLC. After payment of closing costs, proceeds from the sale of the Property will be paid at closing by the title company closing the transaction in the following amounts and order:
 - a. Riverstone Bank will be paid the balance, in full, it is owed on the Promissory Note and Deed of Trust, including all interest, attorney fees, and all other costs and fees allowed under the terms of the Promissory Note. As of August 1, 2024, the principal balance was \$849,807.99. The parties hereto understand, acknowledge, and agree that the actual amount will differ as of the date of closing of the sale of the Real Property.
 - b. Rakshaben R. Patel, Saishivam Lodging, LLC, and the United States agree that the net proceeds remaining after payment to Riverstone Bank will be distributed as

follows: 60% to Rakshaben R. Patel and 40% to the United States. The proceeds paid to the United States will be forfeited to the United States and title thereto vested in the United States. Saishivam Lodging, LLC hereby releases Riverstone Bank from any and all claims as a result of the net proceeds of the sale of Real Estate being paid out as set forth in this paragraph.


9. The payments to the United States, Riverstone Bank and Rakshaben R. Patel shall be in full settlement and satisfaction of all claims by the United States, Riverstone Bank and Rakshaben R. Patel related to the Real Property and/or arising from and relating to the seizure, detention, and forfeiture of the Real Property.
10. Riverstone Bank and Rakshaben R. Patel hereby release and hold harmless the United States, and any agents, servants, and employees of the United States (and any involved state or local law enforcement agencies and their agents, servants, or employees), in their individual or official capacities, from any and all claims by Riverstone Bank and Rakshaben R. Patel and their agents that currently exist or that may arise as a result of the Government's actions against and relating to the Real Property.
11. Expressly conditioned upon payment, in full, of all amounts owed under the Promissory Note from the sale of the Real Property as set forth in this agreement, Riverstone Bank agrees that it will not pursue any other rights it may have under the promissory note and Deed of Trust, including but not limited to the right to pursue a foreclosure action and any right to assess additional interest or penalties. Upon receipt of the payoff funds, Riverstone Bank shall file a motion and order to dismiss and issue a release of lis pendens in its Bernalillo County, New Mexico foreclosure action as Cause No. D-202-CV-2023-

00237.

12. Riverstone Bank, Saishivam Lodging, LLC, Rakshaben R. Patel, and the United States agree to execute further documents, to the extent necessary, to clear title to the Real Property and to implement further the terms of this settlement. This includes a warranty deed from Saishivam Lodging, LLC (with both Rakshaben R. Patel and Pragneshkumar R. Patel signing as members of Saishivam Lodging, LLC) to Riana Hospitality. Both Rakshaben R. Patel and the United States will work to obtain Pragneshkumar R. Patel's signature on the warranty deed.
13. The United States will move for dismissal of the Real Property approximately commensurate with closing of the sale and purchase of the Real Property and disbursement of the sale proceeds. In addition, the United States will cause its *lis pendens* to be released from the real estate records of Bernalillo County, New Mexico, at or approximately commensurate with closing of the sale of the Real Estate, such that good title will pass to Riana Hospitality, LLC.
14. Each party agrees to bear its own costs and attorney's fees.

Agreed and respectfully submitted,

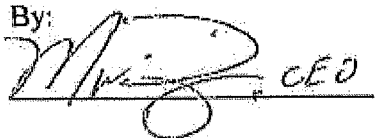
ALEXANDER M.M. UBALLEZ
United States Attorney



STEPHEN R. KOTZ
Assistant U.S. Attorney
201 Third St. NW, Suite 900
Albuquerque, NM 87102
505) 346-7274

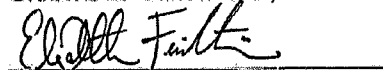
AGREED BY:

Riverstone Bank

By:  CEO

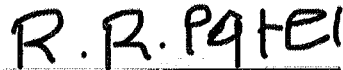
APPROVED BY:

Giddens & Gatton Law, P.C.



Elizabeth V. Friedenstern
Submitted Electronically
10400 Academy, Suite 350
Albuquerque, NM 87111
(505) 271-1053 phone
elizabeth@giddenslaw.com
Attorneys for Third-Party Petitioner in Interest, Riverstone Bank

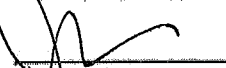
AGREED BY:



Rakshaben R. Patel

APPROVED BY:

Bowles Law Firm



Jason Bowles
4811 Hardware Dr. NE, Ste D-5
Albuquerque, NM 87109

(505) 217-2680

jason@bowles-lawfirm.com

Attorney for Third Party Petitioner, Rakshaben R. Patel

AGREED BY:

Saishivam Lodging, LLC, a New Mexico limited liability company

R. R. Patel

By: Rakshaben R. Patel, Authorized Representative